

**ASSEMBLY BILL**

**No. 1928**

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**Introduced by Assembly Member Bocanegra**

February 19, 2014

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An act to add Section 25600.3 to Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 1928, as introduced, Bocanegra. Alcoholic beverages: coupons: beer.

(1) The Alcoholic Beverage Control Act prohibits any licensee from giving any premium, gift, or free goods in connection with the sale or distribution of any alcoholic beverage, except as specifically authorized. The act provides that a violation of any of its provisions for which another penalty or punishment is not specifically provided is a misdemeanor.

This bill would prohibit a licensee authorized to sell alcoholic beverages at retail from accepting, redeeming, possessing, or utilizing any type of coupon that is funded, produced, sponsored, promoted, or furnished by a beer manufacturer or beer and wine wholesaler. The bill would provide a definition of coupon for these purposes. By expanding the definition of a crime by imposing additional duties on a licensee under the act, the bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 25600.3 is added to the Business and  
2 Professions Code, to read:  
3 25600.3. (a) A licensee authorized to sell alcoholic beverages  
4 at retail shall not accept, redeem, possess, or utilize any type of  
5 coupon that is funded, produced, sponsored, promoted, or furnished  
6 by a beer manufacturer or beer and wine wholesaler.  
7 (b) For purposes of this section:  
8 (1) "Coupon" means any method by which a consumer receives  
9 an instant discount at the time of a purchase that is funded,  
10 produced, sponsored, promoted, or furnished, either directly or  
11 indirectly, by a beer manufacturer or beer and wine wholesaler,  
12 including, but not limited to, a paper coupon, a digital coupon, an  
13 instant redeemable coupon (IRC), or an electronic coupon  
14 commonly referred to as a scan or scanback. "Coupon" does not  
15 include:  
16 (A) A mail-in rebate by which the consumer purchases an item  
17 and submits required information in order to receive a rebate or  
18 discount from the beer manufacturer, or the beer and wine  
19 wholesaler, or its agent.  
20 (B) A coupon that is offered and funded by a distilled spirits  
21 manufacturer, distilled spirits importer general, distilled spirits  
22 importer, or distilled spirits wholesaler that offers a discount on  
23 the purchase of a distilled spirits product if beer or malt beverages  
24 are not advertised in connection with the coupon.  
25 (C) A coupon offered and funded by a winegrower, a wine  
26 rectifier, a wine blender, a beer and wine importer, a beer and wine  
27 importer general, or a wine broker that offers a discount on the  
28 purchase of a wine product if beer or malt beverages is not  
29 advertised in connection with the coupon.  
30 (2) "Beer manufacturer" means a holder of a beer manufacturer's  
31 license, a holder of a small beer manufacturer's license, a holder  
32 of an out-of-state beer manufacturer's certificate, an out-of-state  
33 vendor that holds a certificate of compliance, a holder of a beer  
34 and wine importer's license who sells beer to any person holding  
35 a license authorizing the sale of beer, a holder of a beer and wine

1 importer's general license who sells beer to any person holding a  
2 license authorizing the sale of beer, or a winegrower that is a  
3 wholly owned subsidiary of a beer manufacturer.

4 SEC. 2. No reimbursement is required by this act pursuant to  
5 Section 6 of Article XIII B of the California Constitution because  
6 the only costs that may be incurred by a local agency or school  
7 district will be incurred because this act creates a new crime or  
8 infraction, eliminates a crime or infraction, or changes the penalty  
9 for a crime or infraction, within the meaning of Section 17556 of  
10 the Government Code, or changes the definition of a crime within  
11 the meaning of Section 6 of Article XIII B of the California  
12 Constitution.